

STATE OF LOUISIANA

# LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

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Proposed Abbreviated Model State Plan

**Fiscal Year 2012**



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*Louisiana Housing Finance Agency  
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Baton Rouge, Louisiana  
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## **Program Overview**

The Low Income Home Energy Assistance Program (LIHEAP) was authorized by the Low Income Home Energy Act of 1981 (Title XXVI of Public Law 97-35; the Omnibus Budget Reconciliation Act of 1981). As stated in Section 2602 (a) the program is designed to help low-income households pay their heating and cooling bills as well as increase their energy self-sufficiency. LIHEAP is funded through a grant from the U.S. Department of Health and Human Services (DHHS).

The program targets people with the lowest incomes and the highest energy costs based on their income and family size. Additional targets are low-income households that include the elderly, persons with disabilities, and young children.

Payment is made to a utility vendor (provider) by subgrantees on behalf of the recipient. LIHEAP also intervenes during a crisis situation as well as provides in-kind benefits such as fans, vented space heaters, and air conditioner or heater repairs, when needed.

On July 10, 2001, the responsibility for statewide administration of the LIHEAP program was transferred from the Louisiana Department of Social Services to the Louisiana Housing Finance Agency (LHFA) by Act No. 702 of the 2001 Regular Session of the Legislature. On April 10, 2007, the LHFA contracted the day-to-day administration of the program to the Louisiana Association of Community Action Partnerships (LACAP). LHFA, the grantee, retains the program administration oversight.

The Louisiana annual 2012 LIHEAP program will continue to be implemented through a partnership between the Louisiana Housing Finance Agency (LHFA) and the Louisiana Association of Community Action Partnerships (LACAP). LACAP will contract with local community action agencies and local governmental entities to deliver services to all sixty-four (64) parishes in Louisiana.

**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)**

**ABBREVIATED MODEL PLAN**

**PUBLIC LAW 97-35, AS AMENDED**

**FISCAL YEAR (FY) 2012**

**GRANTEE Louisiana Housing Finance Agency**

**EIN: 72-0809967**

**ADDRESS 2415 Quail Drive**

**Baton Rouge, LA 70808**

**NAME OF LIHEAP COORDINATOR Darleen Okammor**

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**TELEPHONE: 225-763-8700 FAX: 225-763-8752**

**LAST DETAILED MODEL PLAN FILED: FY 2011**

**PLEASE CHECK ONE: TRIBE        STATE ☒ X INSULAR AREA**

**Department of Health and Human Services  
Administration for Children and Families  
Office of Community Services  
Washington, D.C. 20447**

**August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01**

**OMB Approval No. 0970-0075, Expiration Date: 04/30/2014**

**THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)**

Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which a grantee is not required to use the detailed model plan. Public reporting burden for this collection of information is estimated to average 20 minutes per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

GRANTEE: Louisiana Housing Finance Agency

FFY: 2012

Assurances

The Louisiana Housing Finance Agency agrees to:  
(Grantee Name)

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs,

and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that--

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely

because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendored payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year and not transferred pursuant to section 2604(f) for use under another block grant; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15)\* beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

**\* This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Territories with annual allotments of \$200,000 or less and Indian tribes/tribal organizations are not subject to Assurance 15.**

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended.\* By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.\*\*

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**\* Indian tribes/tribal organizations, and territories with annual regular LIHEAP allotments of \$200,000 or less, are not subject to assurance 15, and thus must only certify to 15 assurances.**

**\*\* If a person other than the Chief Executive Officer of the State or territory, or Tribal Chairperson or Board Chairperson of a tribal organization, is signing the certification to the assurances, a letter must be submitted delegating such authority. (PLEASE ATTACH DELEGATION of AUTHORITY.) The delegation must include authority to sign the assurances, not just to administer the program.**

**\*\*\* HHS needs the EIN (Entity Identification Number) of the State, territory or Tribal agency that is to receive the grant funds before it can issue the grant.**

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.

### **Modified LIHEAP FY 2011 Application**

Please list all changes made from your most recent detailed plan.

<u>Page</u>	<u>Subject</u>	<u>Modification</u>
8	Statutory References	
2605(a)		
2605(b)(1)	➔	Please check which components you will operate under the LIHEAP program. (Note: You must provide information for each component designated here as requested elsewhere in this plan.)



		<u>Dates of Operation</u>
(use of funds)	<u>  x  </u> heating assistance	Oct. 1, 2011 to March 31, 2012
	<u>  x  </u> cooling assistance	April 1, 2012 to Sept. 30, 2012
	<u>  x  </u> crisis assistance	Oct. 1, 2011 to Sept. 30, 2012
	<u>  x  </u> weatherization assistance	July 1, 2012 to June 30, 2013

2605(c)(1)(C) ➔ Please estimate what amount of available LIHEAP funds will be used for each component that you will operate: **The total of all percentages must add up to 100%.**

(use of funds)	<u>  31  </u> % heating assistance
	<u>  32  </u> % cooling assistance
	<u>  10  </u> % crisis assistance
2605(k)(1)	<u>  15  </u> % weatherization assistance
	<u>          </u> % carryover to the following fiscal year
2605(b)(9)	<u>  10  </u> % administrative and planning costs
2605(b)(16)	<u>    2    </u> % services to reduce home energy needs including needs assessment (assurance 16)
	<u>          </u> % used to develop and implement leveraging activities (limited to the greater of 0.08% or \$35,000 for States, the greater of 2% or \$100 for territories, tribes and tribal organizations).
	<u>  100  </u> % <b>TOTAL</b>

Please specify whether you are using calendar year 2011 poverty level **or** FY 2012 median income estimates in determining eligibility:

2011 poverty level \_\_\_\_\_%

**OR**

FY 2012 median income 60 %

Please describe how you obtained public participation in the development of your 2012 plan.  
(For States, please also provide information on your public hearings.):

Public Hearing set for August 9, 2011 at 10:30 a.m., in the V. Jean Butler Board Room, 2415 Quail Drive, Baton Rouge, Louisiana.

Date Carryover and Reallotment Report submitted: July 27, 2011

Submit Continuation Pages as Necessary

**ATTACHMENT 1**  
**Louisiana Housing Finance Agency**  
**PROGRAM INTEGRITY ASSESSMENT**  
**Low Income Home Energy Assistance Program (LIHEAP)**

**ABSTRACT:**

Beginning with the FY 2011 Plans, HHS adopted an ongoing requirement that all grantees supplement their Plan each year with a “LIHEAP Program Integrity Assessment” in order to receive funding. The Assessment is part of an effort by HHS to ensure that effective preventive controls, fraud detection, monitoring and prosecution system exist at all levels of the program’s administration to prevent improper payments, fraud, waste and abuse. The Program Integrity Assessment has been included in the Plan for the purpose of receiving public comments at a public hearing.

The following information is provided based on the framework and checklist developed by HHS:

**I. Recent Audit Findings**

Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY2011 or the prior three years, in annual audits, State monitoring assessments, Inspector General Reviews, or other Government Agency reviews of LIHEAP agency finances. Describe whether the cited audit findings or relevant operations have been resolved or corrected. If not, please describe the plan and timeline for doing so in FY2012. If there is no plan in place, please explain why not. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents.*

The LHFA is currently undergoing an audit. The most recent Financial Report for the Louisiana Housing Finance Agency (LHFA), in which the LIHEAP program was selected for review, as a major program, was completed by the firm contracted by the Office of the Legislative Auditor on August 27, 2010. LHFA was audited for compliance requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133. The Independent Auditor’s Report for the year ending June 30, 2010, conducted by Duplantier, Hrapmann, Hogan and Maher, L.L.P., CPA, did not disclose any findings of material weaknesses, reportable conditions, or questioned costs for the Low Income Home Energy Assistance Program (LIHEAP) – CFDA Number 93.568.

**POLICY:**

The following is required in accordance with LHFA contractual provisions:

1. Any local agency who expends \$500,000 or more in federal funds annually is required to obtain a single audit conducted by an independent certified accountant or auditor.
2. Any local agency who expends less than \$500,000 in federal funds annually is required to follow the compliance/attestation guidance offered in the Louisiana Governmental Audit Guide.

3. Local agencies are required to submit an Audit Engagement Letter to LACAP, the Louisiana Association of Community Action Partnerships, Inc., immediately upon approval by the Office of the Legislative Auditor.
4. Local agencies are required to submit an audit report to LACAP no later than six months following the close of the contractor's fiscal year.
5. LACAP will track the audit process to assure timely compliance with policy requirements. A copy of the LACAP's audit and its subgrantees' annual audit according to Circular A-133 is forwarded to LHFA for review.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.*

Any noted deficiencies/findings regarding LIHEAP and/or WAP shall be reviewed by LACAP and communicated to the agencies within 30 days of receipt of the audit. LACAP will coordinate with the agencies to implement corrective actions to resolve the audit findings. LACAP will keep LHFA informed on the status of any agency that has received reportable findings regarding LIHEAP or WAP expenditures or accounting.

For FY 2012, Louisiana will continue the current policy.

## **II. Compliance Monitoring**

Describe the State's FY2011 strategies that will continue in FY2012 for monitoring compliance with State and Federal LIHEAP policies and procedures by the State and local administering agencies. Highlight any strategies for compliance monitoring from your plan which will be newly implemented as of FY2012. If you don't have a firm compliance monitoring system in place for FY12, describe how the State is verifying that LIHEAP policy and procedures are being followed. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

### **POLICY:**

LACAP is required to conduct on-site compliance monitoring visits to ensure that provider agencies are in compliance with published program guidelines. At the time of the on-site visit, monitors review agency policies regarding their adherence to federally-mandated policies relative to the administration of the benefit process, which includes but is not limited to:

1. Outreach to priority populations,
2. The written guidelines regarding how the agency handles applicants from first inquiry to the completion of the application process,
3. A review of client education material that is made available and distributed to applicants,
4. The documentation of training on the LIHEAP application process for employees,
5. Written policies that prohibits discrimination in both service delivery and agency staffing,
6. Compliance with the Americans with Disability Act (ADA) regulations for both applicants and staff,
7. Prohibition of indoor smoking,
8. Compliance with Federal Minimum Wage laws,
9. Confidentiality Policy regarding client information,
10. Record Retention Policy,

11. Agency policy for resolving internal grievances and appeals by both applicants and staff.
12. LACAP shall continue to conduct on-going desk monitoring of agency reports, including requests for payments, budget tracking and production.
13. LACAP shall monitor the rate of funding expenditures by provider agencies to insure that funds are delivered as benefits to eligible applicants in a timely and efficient manner.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *A sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.*

For FY 2012, LHFA and LACAP will continue to operate through a team approach to develop best practices and strategies for program evaluation and management.

LACAP will maintain a monitoring tracking system. LHFA will monitor LACAP and observe the monitoring and oversight process for local agencies annually.

LACAP will utilize the available reporting system of the Hancock Energy Software (HES) to monitor timely agency production and service delivery to ensure all agencies are maintaining service dollar delivery in accordance with their contractual obligations.

### **III. Fraud Reporting Mechanisms**

For FY2011 activities continuing in FY2012, describe all (a) mechanisms available to the public for reporting cases of suspected LIHEAP fraud, waste or abuse? [These may include telephone hotlines, websites, email addresses, etc.] (b) Strategies for advertising these resources. Highlight any tools or mechanisms from your plan which will be newly implemented in FY2012, and the timeline for that implementation. If you don't have any tools or mechanisms available to the public to prevent fraud or improper payments, describe your plan for involving all citizens and stakeholders involved with your program in detecting fraud. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

#### **STRATEGY:**

LACAP will continue to provide the following mechanisms to service provider agencies and the general public for reporting cases of suspected LIHEAP fraud, waste, or abuse:

#### **Agency:**

1. Standardized uniform "suspected fraud" protocols to be followed by all service-providing agencies when and if they suspect application fraud. This would include fraud prevention training and forms for the collection of documents provided by an applicant suspected of fraud, including but not limited to:
  - A. Signed statements or documents that may be inaccurate, altered, and that are intended to mislead or misrepresent an accurate state of the applicant's financial condition.

- B. Documents or statements relative to their actual vulnerability for payment of the account.
- C. Statements of agency personnel that interacted with the applicant suspected of fraud. The statement will detail the date, time, and specific actions, activity or documents that led to the suspicion of the applicant.

**General Public:**

- 1. LACAP will encourage the use of the “Report Fraud” link to the LACAP web site.
- 2. Information will be provided to applicants regarding fraud reporting during the time of application.
- 3. LACAP will continue to include fraud reporting contact information as part of advertising campaigns.
- 4. LACAP will provide agencies with posters defining LIHEAP fraud that includes a toll free number to report suspected fraud.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies- *Clear lines of communication for citizens, grantees, clients, and employees to use in pointing out potential cases of fraud or improper payments to State administrators.*

For FY 2012, a “Report Fraud” link will be added to the LACAP website and will also be included in the advertising campaigns.

**IV. Verifying Applicant Identities**

Describe all FY2011 State policies continuing in FY2012 for how identities of applicants and household members are verified. Highlight any policy or strategy from your plan which will be newly implemented in FY2012. If you don't have a system in place for verifying applicant's identities, explain why and how the State is ensuring that only authentic and eligible applicants are receiving benefits. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

**POLICY:**

All LIHEAP applications must include:

- 1. Identities of all household members including name, date of birth, gender, and social security number.
- 2. The head of household must provide a valid photo ID (State Driver’s license, DMV issued ID cards, or any other valid picture ID), and at least one other document addressed to the applicant at the service address as indicated on the energy bill.
- 3. The computerized application system tracks applicant history by date of application, agency, and funding allocation on a state-wide basis.
- 4. Any household member who appears on an application in less than the allowable time period is automatically locked by the computerized system.
- 5. The file must be approved by an administrator subsequent to a review. This prevents duplication of benefits for any household members who may have changed physical addresses.

6. Household members who previously received benefits in another home are removed from the application. If the applicant has previously received benefits and is not eligible for additional benefits the application is denied.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *Income and energy supplier data that allow program benefits to be provided to eligible individuals*

Louisiana began using HES, web-based software, eight years ago to manage program data and will continue to use HES for FY 2012.

## **V. Social Security Number Requests**

Describe the State's FY2012 policy in regards to requiring Social Security Numbers from applicants and/or household members applying for LIHEAP benefits. Describe whether the State's policy for requiring or not requiring Social Security numbers is new as of FY2012, or remaining the same. If the State is not requiring Social Security Numbers of LIHEAP applicants and/or household members, explain what supplementary measures are being employed to prevent fraud. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

### **POLICY:**

During intake, the applicant must provide Social Security cards for all household members. Applicants are also required to provide a Social Security card for any newborn to be counted. Applicants that do not have an authentic social security card can secure a duplicate from any Social Security Office. Household members without Social Security cards or without documentation of cards or numbers cannot be included on the application.

Agencies are required to include in the applicant's file a copy of each household member's Social Security card.

Community Action Agencies are also required to include this information in their outreach materials.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies. *All valid household members are reported for correct benefit determination.*

For FY 2012, Louisiana will continue to use the current policy. This policy has allowed Louisiana to verify SS numbers and accurately input the data into the database so that the system could detect duplication. The system will also detect if an applicant list a household member that has already been counted in another household.

## VI. Cross-Checking Social Security Numbers against Government Systems/Database

Describe if and how the State used existing government systems and databases to verify applicant or household member identities in FY2011 and continuing in FY2012. (Social Security Administration Enumeration Verification System, prisoner databases, Government death records, etc.) Highlight which, if any, policies or strategies for using existing government databases will be newly implemented in FY2012. If the State won't be cross checking Social Security Numbers and ID information with existing government databases, describe how the State will supplement this fraud prevention strategy. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

### STRATEGY:

The State will not cross-check Social Security number and identification information using government databases.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *Use of all available database systems to make sound eligibility determination.*

For FY 2012, agencies will continue to accept government produced documents in the possession of the applicant who provides proof of identification and verifies the social security number of the applicant and other household members.

## VII. Verifying Applicant Income

Describe how the State or designee used State Directories of new hires or similar systems to confirm income eligibility in FY2011 and continuing in FY2012. Highlight any policies or strategies for using new hire directories which will be newly implemented in FY2012. If the State won't be using new hire directories to verify applicant and household member incomes how will the State be verifying the that information? *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

### POLICY:

Sub-recipients shall adhere to the following guidelines in determining a household's income. The information collected by the sub-recipient shall be entered into the HES computer database and the HES system will determine the monthly income.

#### A. Verifying Income

Income must be verified by any **one** of the following:

1. Last **four consecutive** check stubs
2. Last **two consecutive** check stubs if the applicant's income is stable
3. Last **two consecutive** check stubs if the applicant recently began work and does not have four check stubs
4. Food Stamp certification letter or printout dated within 30 days of application date (must have a certification date on the letter)
5. A completed **Verification of Employment (VOE)** (LIHEAP Form #10) from the applicant's employer



6. **Self-Employment.** Self-employed applicants must provide the most recent federal income tax return with all accompanying schedules. If self-employment recently began and no federal return has been filed, the applicant must provide a written statement attesting to monthly earnings and losses.
7. **Termination.** If an applicant is recently terminated, do not consider his or her last check stubs in determining income. The applicant is considered to have zero income. Verification of termination is **required** and must be included in the file.
8. **Unemployment.** Notice from the Department of Labor, Unemployment Compensation Benefit (UCB) regarding weekly benefit amount, or notice applied for UCB.

#### **B. Calculating Average Income**

- The applicant's average income is calculated using the gross amount from each pay period.
- If earnings fluctuate greatly, determine if the fluctuation is due to an unusual circumstance (e.g., death, substituting for a co-worker, Christmas bonus). If so, exclude the check stub when calculating the average. Decisions to exclude pay stubs must be **clearly documented** in the applicant's file.
- If the fluctuation occurs regularly (e.g., overtime, shift work), include it when calculating the average. A fluctuation can be considered regularly occurring if it appears on at least two of four consecutive check stubs.
- It may be necessary to contact the applicant's employer to determine if the fluctuation is unusual or regularly occurring.

#### **C. Conversion Methodologies**

Based on how frequently the applicant is paid, average income must be converted to monthly income using the appropriate conversion factor. The conversion factors are listed below:

Frequency of Pay	Conversion Factor
Weekly	Multiply by 4.333
Biweekly (every other week)	Multiply by 2.167
Twice a month	Multiply by 2
Annually	Divide annual income by 12

#### **D. Verifying Unearned Income**

- Each applicant must be questioned regarding **unearned income**. Unearned income includes, but is not limited to, alimony, retirement benefits, worker's compensation, supplemental security income (SSI), and interest payments.
- Documentation of unearned income includes, but is not limited to, award letters, annuity letters, court judgments, current bank statements, and copies of recent checks.

#### **E. General Information**

- **Fraud Prevention.** Intake workers are required to recite the following statement to all applicants **prior** to the start of the application process: "You will be subject to criminal prosecution under Title 18 of the U.S. Code if you knowingly give false, incorrect, or incomplete information during this application process in order to obtain assistance."

- **Zero Income.** If an applicant reports zero income, determine how household expenses are paid and document the file with an affidavit.
- **Household Income.** All household members' incomes should be verified and documented.
- If an applicant is deemed eligible for LIHEAP, he or she is income eligible for WAP and vice versa. This applies only to 'income eligibility' as other eligibility requirements exist for WAP.
- An applicant's eligibility for food stamps, supplemental security income (SSI), Temporary Assistance for Needy Families (TANF), cash assistance, or Veteran's benefits, **must not** be considered in determining eligibility for LIHEAP or WAP.
- Any deviations from these guidelines must be approved in writing by the program director of LHFA.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *Effective income determination achieved through coordination across program lines.*

For FY 2012, Louisiana will continue the current policy.

### **VIII. Privacy-Protection and Confidentiality**

Describe the financial and operating controls in place in FY2011 that will continue in FY2012 to protect client information against improper use or disclosure. Highlight any controls or strategies from your plan which will be newly implemented as of FY2012. If you don't have relevant physical or operational controls in place to ensure the security and confidentiality of private information disclosed by applicants, explain why. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

#### **POLICY:**

Louisiana's confidentiality law, R.S. 46:56, applies to all case records kept by state agencies and private and public service contractors.

In order to release client information, sub-recipients must have prior written consent. Page two of the HES application contains the authorization to release client information. This form must be signed by the client and maintained in the client's case record. This information should be completed and signed at the time of the request to assure clients are aware of the information being sent.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.*

For FY 2012, Louisiana will continue the current policy. All agency employees are trained and instructed on confidentiality requirements regarding applicants. All agencies are required to adopt and utilize confidentiality rules in their personnel policy and procedure manuals to safeguard all program records.

## **IX. LIHEAP Benefits Policy**

Describe FY2011 State policies continuing in FY2012 for protecting against fraud when making payments, or providing benefits to energy vendors on behalf of clients. Highlight any fraud prevention efforts relating to making payments or providing benefits which will be newly implemented in FY2012. If the State doesn't have policy in place to protect against improper payments when making payments or providing benefits on behalf of clients, what supplementary steps is the State taking to ensure program integrity. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

### **POLICY:**

Subgrantees will issue payments to energy vendors on behalf of eligible households.

1. Income qualified applicants are encouraged to apply for services on a first-come first-served basis every six months. The computerized application system tracks client history by household and by social security numbers to prevent duplicate or improper benefit payments.
2. An eligible household can receive only one crisis assistance benefit during a 12-month period.
3. All benefits are electronically calculated by the computerized application system using pre-determined parameters and a formula.
4. Households with one or more members of the targeted priority group will receive one additional payment of \$100. The targeted priority groups are: persons 60 years or older, disabled, or child five years old or younger.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients.*

For FY 2012, Louisiana will continue the policy.

## **X. Procedures for Unregulated Energy Vendors**

Describe the State's FY2011 procedures continuing in FY2012 for averting fraud and improper payments when dealing with bulk fuel dealers of heating oil, propane, wood and other unregulated energy utilities. Highlight any strategies policy in this area which will be newly implemented in FY2012. If you don't have a firm plan for averting fraud when dealing with unregulated energy vendors, describe how the State is ensuring program integrity. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

Unregulated Energy Vendors are not included as LIHEAP energy providers.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *Participating vendors are thoroughly researched and inspected before benefits are issued.*

## **XI. Verifying the Authenticity of Energy Vendors**

Describe State FY2011 policies continuing in FY2012 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the State's procedure for averting fraud. Highlight any policies for verifying vendor authenticity which will be newly implemented in FY2012. If you don't have a system in place for verifying vendor authenticity, describe how the State can ensure that funds are being distributed through valid intermediaries? *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

#### **POLICY:**

All vendors are required to sign an Assurance of Vendor Compliance agreement to receive LIHEAP benefit payments from the contractor on behalf of eligible participant households.

The vendor agrees to the following assurances:

1. To credit a valid account on behalf of the LIHEAP applicant, and return to the contractor energy assistance benefits, which are not creditable to a valid account on behalf of the LIHEAP applicant.
2. Vendor shall charge each eligible participant household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the home energy assistance payment made by the contractor.
3. Vendor gives assurance that no household receiving home energy assistance shall be treated any differently because of such assistance under applicable provision of State Law or public regulatory requirements.
4. Vendor gives assurance not to discriminate, either in the cost of the goods supplied or the services provided, against the eligible household on whose behalf payment is made.

This assurance is binding on the vendor, its successors, transferees, and assignees and the person or persons whose signature(s) appear(s) as the duly-authorized signatory of the vendor. The vendor data is entered into the computerized application system at the state level.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *An effective process that effectively confirms the existence of entities receiving federal funds.*

Louisiana will continue the current policy.

#### **XII. Training and Technical Assistance**

In regards to fraud prevention, please describe elements of your FY2011 plan continuing in FY2012 for training and providing technical assistance to (a) employees, (b) non-governmental staff involved in the eligibility process, (c) clients, and (d) energy vendors. Highlight specific elements of your training regiment and technical assistance resources from your plan which will represent newly implemented in FY2012. If you don't have a system in place for anti-fraud training or technical assistance for employees, clients or energy vendors, describe your strategy for ensuring all employees understand what is expected of them and what tactics they are permitted to employ. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

## STRATEGY:

LACAP, as program administrator, shall provide mandatory compliance training for all subgrantee agencies. Training will be divided into three categories:

### TRAINING:

1. Training for new employees will be conducted at the LACAP Training Center upon request of sub-grantee. All training will be documented.

2. General training for all input employees. Training will be conducted at both the LACAP Training Center and on-site at the agency during on-site monitor visits if necessary.

3. Executive Training for LIHEAP Administrators and Executive Directors are conducted quarterly during Association meetings and/or during the Annual Association Conference. Executive Training will cover significant program-related information; for example, upcoming funding increases or decreases and other LIHEAP/WAP information pertinent to program administration.

### TECHNICAL ASSISTANCE:

1. LACAP will continue its efforts to expand program participation for previously un-served eligible participants through various multi media advertising campaigns; including print media with flyers and brochures, newspapers, billboards, and radio and television commercials that include program eligibility.

2. LACAP will continue to provide technical assistance and program support to agencies as necessary to facilitate efficient and effective use of the computerized application processing system.

3. LACAP will continue to provide agencies with equipment upgrades, i.e. computers, printers, document scanners, and software licenses, i.e., Adobe, LaserFiche, or other productivity tools, to enable them to work efficiently in the delivery of services.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.*

Implementation of the strategy began in FY 2010 and will continue for FY 2012.

## **XIII. Audits of Local Administering Agencies**

Describe the annual audit requirements in place for local administering agencies in FY2011 that will continue into FY 2012. Describe new policies or strategies to be implemented in FY2012. If you don't have specific audit requirements for local administering agencies, explain how the Grantee will ensure that LIHEAP funds are properly audited under the Single Audit Act requirements. *Provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents*

## POLICY:

It is the policy of the Agency (LHFA) that providers of services under contract or provider agreement comply with federal and state laws and regulations requiring an audit of the provider's operations as a whole or of specific program activities. The required audit must be conducted by an independent Certified Public Accountant or the Legislative Auditor of the State of Louisiana. The audit engagement letter approved by the Legislative Auditor's office must be submitted to LACAP no later than 60 days prior to the end of the audit period or the provider's fiscal year. The audits are required to cover all funds awarded under contract. The required audit reports must be submitted to LACAP within 30 days of the completion of the audit but not later than 6 months following the end of the audit period.

LHFA, LACAP and the provider will systematically work together to resolve any findings contained in the audit report, including, as necessary, the recovery of disallowed costs and/or questioned costs that cannot be justified. Sanctions may include suspending payments, up to terminating the contract or agreement.

LHFA's responsibility to ensure effective implementation of the policy includes:

1. Forwarding a copy of the audit reports to LHFA Internal Audit Department for review and assistance in identifying the necessary actions to clear audit findings.
2. Maintain a listing of all audit reports and the due dates to generate a status report to Department administrators on a monthly basis.
3. LHFA's Internal Audit Department may consult with the independent auditor concerning circumstances that warrant further clarification and review.
4. The Energy Department will notify LACAP by email, if further actions are necessary to clear any audit findings, to communicate with the provider. LHFA will follow up and track until a resolution is achieved.

The Date/Fiscal Year for the necessary outcomes from these systems and strategies - *Reduce improper payments; maintain local agency integrity, and benefits awarded to eligible households.*

Louisiana will continue the current policy.

**Additional Information**

Please attach further information that describes the Grantee's Program Integrity Policies, including supporting documentation from program manuals, including pages/sections from established LIHEAP policies and procedures.

## ADDITIONAL CERTIFICATIONS AND REQUIREMENTS

Attached are additional certifications required as follows:

- \* **Lobbying certification**, which must be filed by all States and territories. If applicable, Form LLL, which discloses lobbying payments, must be submitted. **(Tribes and tribal organizations are EXEMPT.)**
- \* **Debarment and suspension certification**, which must be filed by all grantees.
- \* **Drug-free workplace requirement certification**, which must be filed by all grantees, unless the grantee has filed a statewide certification with the Department of Health and Human Services. **STATES ONLY:** If you have filed a statewide certification for the drug-free workplace requirement, please check here: \_\_\_\_\_
- \* One of the requirements included in the 1994 reauthorization of the statute is that grantees must include in their annual application for funds a report on the number and income levels of households applying for and receiving LIHEAP assistance, and on the number of recipient households that have members who are elderly, disabled, or young children.  
  
**All Tribes and those territories with allotments of less than \$200,000** need only submit data on the number of households served by each component (heating, cooling, weatherization and crisis). The approval for the collection of information contained in the **LIHEAP Household Report** is covered by OMB approval number 0970-0060.
- \* Though not a part of this application, the report on funds to be carried over or available for reallocation as required by section 2607(a) for the preceding year must be submitted by August 1 of each year. A grant award for the current fiscal year may not be made until the carryover/reallocation report is received. The approval for the collection of information contained in the **LIHEAP Carryover and Reallocation Report** is covered by OMB approval number 0970-0106.

## CERTIFICATION REGARDING LOBBYING

### Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, ``Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, ``Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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Signature

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Title

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Organization

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## **CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS**

### **Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions**

#### **Instructions for Certification**

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and

## Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

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## Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

## Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

### Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that

its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled ``Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

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#### Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

## CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

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### Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.
2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. For grantees other than individuals, Alternate I applies.
4. For grantees who are individuals, Alternate II applies.
5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).
7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).
8. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

*Controlled substance* means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

*Conviction* means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

*Criminal drug statute* means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

*Employee* means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

### Certification Regarding Drug-Free Workplace Requirements

#### Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about --
  - (1) The dangers of drug abuse in the workplace;
  - (2) The grantee's policy of maintaining a drug-free workplace;
  - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
  - (1) Abide by the terms of the statement; and
  - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted --
  - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

(B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

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Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

[55 FR 21690, 21702, May 25, 1990]